

SEP 13 2007

BEFORE THE FEDERAL ELECTION COMMISSION

SEP 13 P 4:33

In the Matter of

Jack Thomas

MUR 5814

SENSITIVE

GENERAL COUNSEL'S REPORT # 2

I. ACTIONS RECOMMENDED

Accept the attached conciliation agreement with Jack Thomas and close the file as to Respondent Jack Thomas.

II. BACKGROUND

The Federal Election Commission (the "Commission") previously found reason to believe that Jack Thomas knowingly and willfully violated 2 U.S.C. § 432(b)(3) by commingling funds of the Lamutt for Congress Committee ("Committee") with his personal funds, and knowingly and willfully violated section 439a(b) by converting Committee funds for his personal use. The Commission's findings were based on Thomas' embezzlement of \$40,927.96 in Committee funds between September 2003 and February 2004.¹ The Commission determined to enter into pre-probable cause conciliation with Thomas

¹ As discussed in the First General Counsel's Report, Thomas was criminally prosecuted in connection with this embezzlement and pled guilty to one count of mail fraud in violation of 18 U.S.C. § 1341. See First GCR at 6. Thomas was sentenced to six months of home detention, followed by four years probation, and ordered to pay restitution to the Committee in the amount of \$40,927.96 as well as a \$100 assessment payable to the court.

1 _____ the Commission
2 _____ made corresponding reason to believe findings against the
3 Committee in connection with the embezzlement and authorized us to investigate the internal
4 controls that the Committee had in place at the time of the embezzlement.²

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² The Commission found reason to believe that Lamutt for Congress and Robert Bruce Lamutt, in his official capacity as treasurer, violated 2 U.S.C. §§ 432(c)(5), 434(b)(4)(H)(v) & (6)(B)(v), 441a-1(b)(1)(D) and 11 CFR §§ 104.3(b) and 400.22(b), and found reason to believe that Robert Bruce Lamutt violated 2 U.S.C. § 441a-1(b)(1)(D) and 11 CFR § 440.25.

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IV. RECOMMENDATIONS

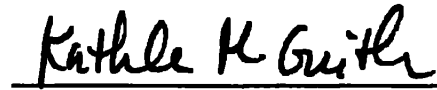
1. Accept the attached conciliation agreement with Jack Thomas.
2. Close the file as to Respondent Jack Thomas.
3. Approve the appropriate letter.

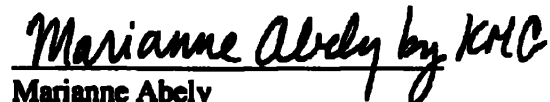
Thomasenia P. Duncan
General Counsel

9-13-07
Date

BY:


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